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DISTRICT OF UTAH  
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**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

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)  
CHURCH OF SCIENTOLOGY  
INTERNATIONAL, a California )  
non-profit religious corporation, )  
Plaintiff )  
vs. ) Case No. 2:01CV213S  
ARTHUR INTERNATIONAL, )  
INC., a dissolved Utah corporation, )  
DAVID HIGHAM, SILVIA M. )  
CARVALHO, KENNETH HALL, )  
THOMAS ALHMANN, and )  
DOES 1 through 10, )  
Defendants )

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**ANSWER**

David Higham, a defendant in the above proceeding, submits his Answer to the  
Complaint, as follows:

**PARTIES AND JURISDICTION**

1. Defendant is without knowledge of the allegations contained in paragraph 1 of the  
complaint and denies same.
2. Defendant admits the allegations contained in paragraph 2 of the complaint.

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3. Defendant admits the allegations contained in paragraph 3 of the complaint.
4. The allegations contained in paragraph 4 do not require an answer from this defendant.
5. The allegations contained in paragraph 5 do not require an answer from this defendant.
6. The allegations contained in paragraph 6 do not require an answer from this defendant.
7. The allegations contained in paragraph 7 do not require an answer from this defendant.
8. Defendant admits the allegations contained in paragraph 8 of the complaint.
9. Defendant admits the allegations contained in paragraph 9 of the complaint.
10. The allegations contained in paragraph 10 of the complaint do not require an answer from this defendant.

11. Defendant admits the allegations contained in paragraph 11 of the complaint.

#### GENERAL ALLEGATIONS

12. In response to the allegations contained in paragraph 12 of the complaint, defendant states that he did not participate in the negotiation or performance of the Agreement which is attached to the complaint, that the Agreement speaks for itself, and otherwise denies the allegations contained in paragraph 12 of the complaint.

13. In response to the allegations contained in paragraph 13 of the complaint, defendant states that he did not participate in the negotiation or performance of the Agreement which is attached to the complaint, that the Agreement speaks for itself, and otherwise denies the allegations contained in paragraph 13 of the complaint.

14. In response to the allegations contained in paragraph 14 of the complaint, defendant states that he did not participate in the negotiation or performance of the Agreement which is attached to the complaint, that the Agreement speaks for itself, and otherwise denies the allegations contained in paragraph 14 of the complaint.

15. Defendant is without knowledge of the allegations contained in paragraph 15 of the complaint, and accordingly denies same.

16. In response to the allegations contained in paragraph 16 of the complaint, defendant states that he did not participate in the negotiation or performance of the Agreement which is attached to the complaint, that the Agreement speaks for itself, and otherwise denies the allegations contained in paragraph 16 of the complaint.

17. Defendant is without knowledge of the allegations contained in paragraph 1 of the complaint, and accordingly denies same.

18. Defendant admits the allegations contained in paragraph 1 of the complaint.

19. Defendant denies the allegations contained in paragraph 1 of the complaint.

**FIRST CAUSE OF ACTION**  
**(Breach of Contract)**

20. The allegations contained in paragraph 20 of the complaint do not require an answer from this defendant.

21. In response to the allegations contained in paragraph 21 of the complaint, defendant states that he did not participate in the negotiation or performance of the Agreement which is attached to the complaint, that the Agreement speaks for itself, and otherwise denies the allegations contained in paragraph 21 of the complaint.

22. Defendant is without knowledge of the allegations contained in paragraph 22 of the complaint, and accordingly denies same.

23. Defendant is without knowledge of the allegations contained in paragraph 23 of the complaint, and accordingly denies same.

24. Defendant is without knowledge of the allegations contained in paragraph 24 of the

complaint, and accordingly denies same.

**SECOND CAUSE OF ACTION**  
**(Quantum Meruit/Unjust Enrichment)**

25. The allegations contained in paragraph 25 of the complaint do not require an answer from this defendant.

26. Defendant is without knowledge of the allegations contained in paragraph 26 of the complaint, and accordingly denies same.

27. Defendant is without knowledge of the allegations contained in paragraph 27 of the complaint, and accordingly denies same.

28. Defendant is without knowledge of the allegations contained in paragraph 28 of the complaint, and accordingly denies same.

29. Defendant is without knowledge of the allegations contained in paragraph 29 of the complaint, and accordingly denies same.

30. Defendant is without knowledge of the allegations contained in paragraph 30 of the complaint, and accordingly denies same.

**THIRD CAUSE OF ACTION**  
**(Fraudulent Misrepresentation)**

31. The allegations contained in paragraph 31 of the complaint do not require an answer from this defendant.

32. Defendant is without knowledge of the allegations contained in paragraph 32 of the complaint, and accordingly denies same. Defendant specifically alleges that he was not one of the “involved principals” described in paragraph 32.

33. Defendant is without knowledge of the allegations contained in paragraph 33 of the complaint, and accordingly denies same.

34. Defendant is without knowledge of the allegations contained in paragraph 34 of the complaint, and accordingly denies same.

35. Defendant is without knowledge of the allegations contained in paragraph 35 of the complaint, and accordingly denies same

36. Defendant is without knowledge of the allegations contained in paragraph 36 of the complaint, and accordingly denies same.

37. Defendant is without knowledge of the allegations contained in paragraph 37 of the complaint, and accordingly denies same.

38. Defendant is without knowledge of the allegations contained in paragraph 38 of the complaint, and accordingly denies same.

39. Defendant is without knowledge of the allegations contained in paragraph 39 of the complaint, and accordingly denies same.

**FOURTH CAUSE OF ACTION**  
**(Replevin)**

40. The allegations contained in paragraph 40 do not require an answer from this defendant.

41. In response to the allegations contained in paragraph 41 of the complaint, defendant states that he did not participate in the negotiation or performance of the Agreement which is attached to the complaint, that the Agreement speaks for itself, and otherwise denies the allegations contained in paragraph 41 of the complaint.

42. Defendant is without knowledge of the allegations contained in paragraph 42 of the complaint, and accordingly denies same.

43. Defendant is without knowledge of the allegations contained in paragraph 43 of the

complaint, and accordingly denies same.

44. Defendant is without knowledge of the allegations contained in paragraph 44 of the complaint, and accordingly denies same.

45. Defendant is without knowledge of the allegations contained in paragraph 45 of the complaint, and accordingly denies same.

46. Defendant is without knowledge of the allegations contained in paragraph 46 of the complaint, and accordingly denies same.

47. Defendant is without knowledge of the allegations contained in paragraph 47 of the complaint, and accordingly denies same.

**FIFTH CAUSE OF ACTION**  
**(Pre-Judgment Writ of Attachment)**

48. The allegations contained in paragraph 48 do not require an answer from this defendant.

49. Defendant is without knowledge of the allegations contained in paragraph 49 of the complaint, and accordingly denies same.

50. Defendant is without knowledge of the allegations contained in paragraph 50 of the complaint, and accordingly denies same.

51. Defendant is without knowledge of the allegations contained in paragraph 51 of the complaint, and accordingly denies same.

52. Defendant is without knowledge of the allegations contained in paragraph 52 of the complaint, and accordingly denies same.

53. Defendant is without knowledge of the allegations contained in paragraph 53 of the complaint, and accordingly denies same.

**SIXTH CAUSE OF ACTION**  
**(Constructive Trust)**

54. The allegations contained in paragraph 54 of the complaint do not require an answer from this defendant.

55. Defendant denies that he is now or ever has been a shareholder of Arthur International. Defendant admits that defendants Hall and Alhmann were shareholders of Arthur International, and denies the remaining allegations contained in paragraph 55 of the complaint.

56. Defendant admits the allegations contained in paragraph 56 of the complaint.

57. Defendant is without knowledge of the transfer of any assets of Arthur International to its shareholders and otherwise is without knowledge relating to the remaining allegations contained in paragraph 57 of the complaint and, accordingly, denies same.

58. Defendant is without knowledge of the allegations contained in paragraph 58 of the complaint, and accordingly denies same.

**SEVENTH CAUSE OF ACTION**  
**(Statutory Claim Against Shareholder of a Dissolved Corporation)**

59. The allegations contained in paragraph 59 of the complaint do not require an answer from this defendant.

60. Defendant denies that he is now or ever has been a shareholder of Arthur International. Defendant admits that defendants Hall and Alhmann were shareholders of Arthur International, and denies the remaining allegations contained in paragraph 60 of the complaint.

61. Defendant is without knowledge of the transfer of any assets of Arthur International to its shareholders and otherwise is without knowledge relating to the remaining allegations contained in paragraph 61 of the complaint and, accordingly, denies same.

62. Defendant is without knowledge of the allegations contained in paragraph 62 of the

complaint, and accordingly denies same.

EIGHTH CAUSE OF ACTION  
(Alter Ego/Piercing the Corporate Veil)

63. The allegations contained in paragraph 63 of the complaint do not require an answer from this defendant.

64. Defendant admits the allegations contained in paragraph 64 of the complaint.

65. Defendant denies that he is now or ever has been a shareholder of Arthur International. Defendant admits that defendants Hall and Alhmann were shareholders of Arthur International, and denies the remaining allegations contained in paragraph 65 of the complaint.

66. Defendant denies the allegations contained in paragraph 66 of the complaint.

67. Defendant denies the allegations contained in paragraph 67 of the complaint.

68. Defendant denies the allegations contained in paragraph 68 of the complaint.

69. Defendant denies the allegations contained in paragraph 69 of the complaint.

AFFIRMATIVE DEFENSES

Plaintiff's complaint fails to state a claim against defendant on which relief may be granted.

DATED: April 10, 2001.

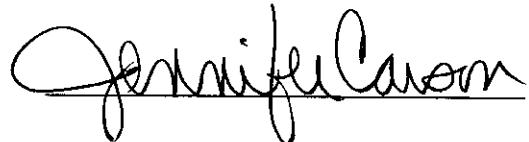
McKAY, BURTON & THURMAN

By: Mona Burton  
Mona Lyman Burton

**CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing document was sent by U.S. mail, postage prepaid on the 10<sup>th</sup> day of April, 2001 to:

Michael Homer  
Mark J. Morrise  
Suitter Axland  
175 S. West Temple, Suite 700  
Salt Lake City, UT 84101-1480

A handwritten signature in black ink that reads "Jennifer Casom". The signature is fluid and cursive, with "Jennifer" on the top line and "Casom" on the bottom line.